



## CONGRESSIONAL BUDGET OFFICE PAY-AS-YOU-GO ESTIMATE

October 26, 1998

### **H.R. 4382** **Mammography Quality Standards** **Reauthorization Act of 1998**

*As enacted on October 9, 1998*

#### **SUMMARY**

H.R. 4382 (Public Law 105-248) reauthorizes programs established by the Mammography Quality Standards Act (MQSA) through fiscal year 2002. CBO estimates that H.R. 4382 will increase direct spending by \$1 million in fiscal year 1999 and by \$5 million over the 1999-2003 period. The act will also reduce federal revenues by about \$1 million in 1999 and by \$5 million over the 1999-2003 period.

Section 6 of the act requires facilities performing mammograms to send written summaries of test results to all patients, which will result in higher costs for Medicaid and the Federal Employees Health Benefits Program (FEHBP). CBO estimates that the increase in direct spending for Medicaid and FEHBP will total \$1 million annually. This provision will also reduce federal revenues by about \$1 million a year because it will raise the costs of employer-sponsored health insurance, and correspondingly reduce the amount of employee compensation subject to income and payroll taxes. A summary of pay-as-you-go effects is shown in the following table. For purposes of enforcing pay-as-you-go procedures, only the effects in the budget year and the succeeding four years are counted.

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## Summary of Pay-As-You-Go Effects

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	By Fiscal Year, in Millions of Dollars									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Changes in outlays	1	1	1	1	1	1	1	1	1	1
Changes in revenues	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1

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## BASIS OF THE ESTIMATE

Requiring facilities to send written summaries of mammogram results directly to patients will cost health plans and providers an additional \$1 per mammogram, on average. This requirement will increase direct spending for Medicaid and FEHBP. Federal spending for Medicaid and for health insurance premiums for annuitants in FEHBP, which is considered direct spending, will increase by an estimated \$1 million annually. (CBO assumes these costs to the federal government will extend beyond the expiration of the MQSA program because health plans and providers will continue to provide these reports to patients and will incur costs.) Medicare spending will not be significantly affected, because almost all payments for mammograms are based on a fee schedule.

Higher costs for health plans and providers will also increase premiums for employer-sponsored health insurance, with a corresponding reduction in the amount of employee compensation subject to income and payroll taxes. The Joint Committee on Taxation estimates that income and payroll tax revenues will fall by \$1 million a year.

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